National and State Impacts of the Medicare Prescription Drug Conference Proposal

A Senate Health, Education, Labor and Pensions Committee Minority Staff Analysis

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NATIONAL AND STATE IMPACTS OF THE MEDICARE PRESCRIPTION DRUG CONFERENCE PROPOSAL

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This analysis examines the impact of the conference proposal on the nation and on each state. In brief, it finds the program includes provisions that will have the effect of privatizing Medicare and forcing senior citizens into HMOs and other private insurance plans. Other provisions of the proposal mean that millions of senior citizens and Americans with disabilities currently covered by Medicare would actually find themselves worse off if the conference report becomes law. Finally, the proposal creates an unlimited program of Health Savings Accounts (HSAs). This tax break benefits the healthy and wealthy and could dramatically raise health insurance premiums for other Americans—particularly families with moderate incomes and those with high health expenses.

Privatization of Medicare through "premium support" and excessive government subsidies to HMOs and the insurance industry

Premium Support

The conference report includes a large "demonstration" of a program called "premium support" that will have the effect of pricing senior citizens out of Medicare and forcing them to join HMOs or other private insurance plans to get affordable coverage. Currently, Medicare beneficiaries pay a fixed, national premium for coverage under Part B of the program, the part that pays for doctor and other outpatient costs. The government pays 75% of the costs of Part B and beneficiaries pay the remaining 25%.

Under premium support, the beneficiary premium is no longer fixed and national. Instead, it becomes a different amount in each area, based on the weighted average of Medicare costs and the costs of HMOs and other private insurance plans in that area. HMOs cut corners and ration care in ways that Medicare does not—for example, by restricting access to physicians and hospitals, enrolling healthier people, and competing with Medicare in areas where Medicare costs are high. As a result, the weighted average calculation requires the government to pay a lower percentage of the cost of Medicare than under current law in most cases. This means that Medicare premiums rise.

Initially, the effect of the premium support program would raise premiums in Medicare an average of 25%, according to the Medicare actuary.[1] But the surcharge to stay in Medicare could rapidly grow as healthier people increasingly leave Medicare for the private sector, creating an insurance "death spiral."[2] Moreover, the premiums seniors have to pay could vary dramatically, depending on where they live. According to the Medicare actuary's estimates, Medicare premiums could range from a high of $2,400 in Jefferson Parish, Louisiana, to a low of $675 in Davidson County, North Carolina. Variations within each state can be almost as large and are displayed in the fact sheets for individual states included in this book.

Beginning in 2010, the proposed conference agreement establishes a six-year premium support "demonstration" in six metropolitan statistical areas of the country, to be chosen by the Secretary of Health and Human Services. One of the areas chosen must be sparsely populated. For a metropolitan statistical area to qualify for the demonstration, twenty-five percent of the senior citizens in that region must be enrolled in private plans. Forty-one MSAs currently meet the 25% test. By 2010, given the large additional subsidies provided to private plans under the bill, almost seven million senior citizens and disabled—one in six Medicare beneficiaries--could be forced into the premium support program.[3] Areas in more than half the states in the country are potential sites for the demonstration. The fact sheets show which areas could be included in the demonstration in each state.

Not only does the demonstration subject six million or more senior citizens to premium support, but it provides the basis for quick movement to premium support everywhere. Once the program is established in law, it would be easy for a subsequent Congress to lower the threshold for participation or eliminate the limitation on the number of regions or local areas participating and establish premium support everywhere.

Excessive subsidies to HMOs and private insurance

Rather than establishing fair competition and real choices for senior citizens, the proposed conference report tilts the deck against Medicare by providing heavy additional subsidies for private insurance plans. These subsidies make Medicare less affordable relative to HMOs, raise government costs, and hasten the depletion of the Medicare Trust fund. Because they raise government costs, they increase the premiums of senior citizens.

- PPO "stabilization" fund. The Senate bill provided an additional $6 billion for PPOs balanced by an additional $6 billion for Medicare enhancements. The proposed conference agreement provides $12 billion in extra subsides for PPOs and nothing for Medicare enhancements.

- Inflated premium to HMOs and PPOs. The proposed agreement adopts the revisions in the payment formula contained in the House bill. This raises average payments to Medicare private plans to 109% of Medicare costs. This places an unfair competitive disadvantage on Medicare and raises Medicare costs a minimum of nine percent for each person who joins an HMO or PPO.

- Adverse selection. CMS's own data show that senior citizens who enroll in Medicare HMOs have costs that are 16% below those of those in conventional Medicare, solely because they are in better health. [4] Combined with the other features of the proposed conference agreement, private sector plans will be overpaid a minimum of 25%.

Millions of senior citizens and disabled Medicare beneficiaries will be worse off

Loss of private retiree coverage

The conference agreement discriminates against senior citizens with employer-sponsored retiree plans by providing a lesser government contribution to their benefits than to other senior citizens. No other Medicare benefit is provided in this discriminatory way. As a result of this structure, CBO estimated that large percentages of senior citizens with employer-sponsored retiree coverage could lose it. Under the proposed conference agreement, approximately 21% of retirees (2.5 million) would lose coverage.[5]

The state analyses in this report show how many retirees in each state would lose their coverage.

Medicaid Beneficiaries

The proposal establishes a uniform Federal standard for drug co-payments for low income beneficiaries covered under both Medicare and Medicaid. The proposal indexes these co-payments, bars states from filling in the co-payments for these dual eligibles with both Medicaid and Medicare coverage, and prohibits states from establishing more expansive formularies for the mentally ill, disabled, and other groups. The result is that the proposed agreement actually makes six million poor aged and disabled Medicaid beneficiaries worse off: their out-of-pocket expenses will be higher and their access to needed drugs will be reduced. Studies have shown that even very small co-payments for prescription drugs can make essential medicines unaffordable for low-income seniors, resulting in an 88% increase in hospitalization and deaths and a 78% increase emergency room visits.[6]

The state analyses show how many Medicaid beneficiaries will be forced to pay more for their drugs in each state.

Assets test

The bipartisan Senate bill would have provided comprehensive drug coverage for nine million senior citizens, in addition to those currently covered under Medicaid, through an enhanced low income benefit. The bill allowed low income seniors to receive this benefit without being subjected to a harsh and demeaning assets test. The agreement reinstates the assets test and lowers the income eligibility level. More than three million low income senior citizens would be denied access to enhanced benefits.[7]

The state analyses show how many low income seniors are denied access to special assistance as a result of this provision in each state.

Means-related premium

The legislation establishes a means-related premium for the Part B benefit, beginning in 2007. Approximately 1.6 million senior citizens (4.5 percent) with incomes over $80,000 would pay a higher premium as a result.[8] There was no comparable provision in either bill. Medicare is already progressively financed, and a means-related premium could undermine the broad support the program enjoys from senior citizens of all income levels. The state analyses show how many senior citizens will be forced to pay a higher premium in each state as the result of this provision.

Discriminatory Budget Cap for Medicare

The proposal establishes in law an arbitrary standard for Medicare expenditures and creates a new mechanism for the forced discharge from committee of legislation to achieve this standard. The proposal would require a Presidential recommendation on cutting Medicare funding and require expedited consideration of Medicare cuts in the Senate if the general revenue share of Medicare expenditures was projected to exceed 45% in seven years. This provision establishes a congressionally endorsed Medicare spending target that has no relation to the needs of the elderly or the cost of medical care.

Drug Prices

The proposal for drug reimportation is weaker than the legislation passed by either the Senate or the House.

Health Savings Accounts

Health Savings Accounts were previously called Medical Savings Accounts. They make it possible to buy a high deductible account and to put money to pay some or all of the cost of deductible into a tax free account similar to an IRA. The proposal eliminates the limits on such accounts included in the 1996 Health Insurance Portability and Accountability Act, makes permanent what had been a time-limited demonstration, and makes other changes to the accounts, such as allowing tax-free contributions to equal 100% of the deductible. These accounts help the healthy and wealthy and certain insurance companies, but are bad for most Americans, especially the Americans with lower incomes or those in ill health. Estimates by the Urban Institute, the American Academy of Actuaries, and others indicated that these accounts could raise premiums for comprehensive coverage as much as 60%.[9]

Impact of Medicare Prescription Drug Conference Proposal on Alabama Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

- 2 MSAs in Alabama are close to meeting the qualifying threshold for the premium support demonstration program.[1] In total, 230,900 Medicare beneficiaries in Alabama reside in MSAs that could be chosen for premium support.

  MSAs that could qualify by 2010:

  Birmingham-Hoover
  Mobile

- Premium variation under a full-blown premium support program could range from $1,400 in Jefferson to $1,225 in Mobile.[2]

Senior Citizens and Disabled Persons Worse Off

- 45,570 Medicare beneficiaries in Alabama will lose their retiree health benefits.[3]

- 122,700 Medicaid beneficiaries in Alabama will pay more for the prescription drugs they need.[4]

- 61,250 fewer seniors in Alabama will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

- 20,860 Medicare beneficiaries in Alabama will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Alabama currently has a $.50 drug copayment for costs below $10, $1 copayment for costs between $10 and $25; $2 copayment for costs between $25 and $50; and $3 copayment for costs above $50.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Alaska Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 2,940 Medicare beneficiaries in Alaska will lose their retiree health benefits.[1]

- 8,400 Medicaid beneficiaries in Alaska will pay more for the prescription drugs they need.[2]

- 3,250 fewer seniors in Alaska will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 1,260 Medicare beneficiaries in Alaska will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Alaska currently has a $2 drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Arizona Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 2 MSAs in Arizona could be selected for the premium support demonstration program.[1] In total, 572,080 Medicare beneficiaries in Arizona reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Phoenix-Mesa-Scottsdale
Tucson

∞ Premium variation under a full-blown premium support program could range from $1,225 in Maricopa to $900 in Pima.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 44,310 Medicare beneficiaries in Arizona will lose their retiree health benefits.[3]

∞ 59,100 Medicaid beneficiaries in Arizona will pay more for the prescription drugs they need.[4]

∞ 43,500 fewer seniors in Arizona will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 30,280 Medicare beneficiaries in Arizona will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Arkansas Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 18,060 Medicare beneficiaries in Arkansas will lose their retiree health benefits.[1]

- 109,100 Medicaid beneficiaries in Arkansas will pay more for the prescription drugs they need.[2]

- 40,750 fewer seniors in Arkansas will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 11,020 Medicare beneficiaries in Arkansas will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Arkansas currently has a $0.50 drug copayment for costs below $10, $1 copayment for costs between $10 and $25, $2 copayment for costs between $25 and $50, and $3 copayment for costs above $50.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on California Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 12 MSAs in California could be selected for the premium support demonstration program, and another 3 MSAs are close to meeting the qualifying threshold.[1] In total, 3.5 million California Medicare beneficiaries reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
- Bakersfield
- LA-Long Beach-Santa Ana
- Modesto
- Napa
- Oxnard-Thousand Oaks-Ventura
- Riverside-San Bernardino-Ontario
- Sacramento-Arden-Arcade-Roseville
- San Diego-Carlsbad-San Marcos
- San Francisco-Oakland-Fremont
- San Jose-Sunnyvale-Santa Clara
- Santa Rosa-Petaluma
- Vallejo-Fairfield

MSAs that could qualify by 2010:
- Madera
- Santa Barbara-Santa Maria-Goleta
- Stockton

∞ Premium variation under a full-blown premium support program could range from $1,700 in Los Angeles to $775 in Yolo.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 244,860 Medicare beneficiaries in California will lose their retiree health benefits.[3]

∞ 860,700 Medicaid beneficiaries in California will pay more for the prescription drugs they need.[4]

- ∞ 295,750 fewer seniors in California will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

- ∞ 229,920 Medicare beneficiaries in California will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. California currently has a $1 voluntary drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Colorado Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 3 MSAs in Colorado could be selected for the premium support demonstration program, and another 2 MSAs are close to meeting the qualifying threshold.[1] In total, 284,120 Medicare beneficiaries in California reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
- Boulder
- Denver-Aurora
- Grand Junction

MSAs that could qualify by 2010:
- Colorado Springs
- Pueblo

∞ Premium variation under a full-blown premium support program could range from $1,225 in Park to $1,025 in Larimer.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 31,290 Medicare beneficiaries in Colorado will lose their retiree health benefits.[3]

∞ 60,700 Medicaid beneficiaries in Colorado will pay more for the prescription drugs they need.[4]

∞ 30,000 fewer seniors in Colorado will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 20,420 Medicare beneficiaries in Colorado will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Connecticut Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ Premium variation under a full-blown premium support program could range from $1,700 in New Haven to $1,250 in Hartford.[1]

Senior Citizens and Disabled Persons Worse Off

∞ 39,270 Medicare beneficiaries in Connecticut will lose their retiree health benefits.[2]

∞ 74,400 Medicaid beneficiaries in Connecticut will pay more for the prescription drugs they need.[3]

∞ 36,750 fewer seniors in Connecticut will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 31,400 Medicare beneficiaries in Connecticut will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] CMS Actuary.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Connecticut currently has no drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Delaware Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in Delaware could be selected for the premium support demonstration program.[1] In total, 69,000 Medicare beneficiaries in Delaware reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Philadelphia-Camden-Wilmington

Senior Citizens and Disabled Persons Worse Off

∞ 9,870 Medicare beneficiaries in Delaware will lose their retiree health benefits.[2]

∞ 11,700 Medicaid beneficiaries in Delaware will pay more for the prescription drugs they need.[3]

∞ 7,500 fewer seniors in Delaware will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 4,140 Medicare beneficiaries in Delaware will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Delaware currently has a no drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Florida Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 2 MSAs in Florida could be selected for the premium support demonstration program, and another 2 MSAs are close to meeting the qualifying threshold.[1] In total, 1,529,360 Medicare beneficiaries in Florida reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Deltona-Daytona Beach-Ormond Beach
Miami-Fort Lauderdale-Miami Beach

MSAs that could qualify by 2010:
Palm Bay-Melbourne-Titusville
Tampa-St. Petersburg-Clearwater

∞ Premium variation under a full-blown premium support program could range from $2,050 in Dade to $1,000 in Osceola.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 160,440 Medicare beneficiaries in Florida will lose their retiree health benefits.[3]

∞ 315,500 Medicaid beneficiaries in Florida will pay more for the prescription drugs they need.[4]

∞ 232,750 fewer seniors in Florida will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 162,820 Medicare beneficiaries in Florida will pay more for Part B premiums because of income relating.[6]

(Footnotes)
[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.
[2] CMS Actuary.
[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.
[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Florida currently has no drug copayment.
[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.
[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Georgia Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

- ∞ Premium variation under a full-blown premium support program could range from $1,225 in Cherokee to $1,000 in Fulton.[1]

Senior Citizens and Disabled Persons Worse Off

- ∞ 51,450 Medicare beneficiaries in Georgia will lose their retiree health benefits.[2]

- ∞ 161,300 Medicaid beneficiaries in Georgia will pay more for the prescription drugs they need.[3]

- ∞ 82,000 fewer seniors in Georgia will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

- ∞ 34,060 Medicare beneficiaries in Georgia will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] CMS Actuary.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Georgia currently has a $0.50 drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Hawaii Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSAs in Hawaii could be selected for the premium support demonstration program.[1] In total, 131,670 Medicare beneficiaries in Hawaii reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Honolulu

Senior Citizens and Disabled Persons Worse Off

∞ 17,850 Medicare beneficiaries in Hawaii will lose their retiree health benefits.[2]

∞ 51,900 Medicaid beneficiaries in Hawaii will pay more for the prescription drugs they need.[3]

∞ 13,000 fewer seniors in Hawaii will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 6,940 Medicare beneficiaries in Hawaii will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Hawaii currently has no drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Idaho Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSAs in Idaho is close to meeting the qualifying threshold and could be selected for the premium support demonstration program.[1] In total, 59,150 Medicare beneficiaries in Idaho reside in MSAs that could be chosen for premium support.

MSAs that could qualify by 2010:
Boise City-Nampa

Senior Citizens and Disabled Persons Worse Off

∞ 11,970 Medicare beneficiaries in Idaho will lose their retiree health benefits.[2]

∞ 10,700 Medicaid beneficiaries in Idaho will pay more for the prescription drugs they need.[3]

∞ 12,000 fewer seniors in Idaho will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 5,300 Medicare beneficiaries in Idaho will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Idaho currently has no drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Illinois Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 103,950 Medicare beneficiaries in Illinois will lose their retiree health benefits.[1]

- 169,500 Medicaid beneficiaries in Illinois will pay more for the prescription drugs they need.[2]

- 110,000 fewer seniors in Illinois will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 62,700 Medicare beneficiaries in Illinois will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Illinois currently has no drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Indiana Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSAs in Indiana is close to meeting the qualifying threshold for the premium support demonstration program.[1] In total, 19,216 Medicare beneficiaries in Indiana reside in MSAs that could be chosen for premium support.

MSAs that could qualify by 2010:
Cincinatti-Middletown

Senior Citizens and Disabled Persons Worse Off

∞ 57,330 Medicare beneficiaries in Indiana will lose their retiree health benefits.[2]

∞ 100,300 Medicaid beneficiaries in Indiana will pay more for the prescription drugs they need.[3]

∞ 68,250 fewer seniors in Indiana will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 24,240 Medicare beneficiaries in Indiana will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Indiana currently has a $0.50 drug copayment for generic drugs, and a $0.50 to $3 copayment for brand-name drugs.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Iowa Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in Iowa could be selected for the premium support demonstration program, and another MSA is close to meeting the qualifying threshold.[1] In total, 43,135 Medicare beneficiaries in Iowa reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Dubuque

MSAs that could qualify by 2010:
Waterloo-Cedar Falls

Senior Citizens and Disabled Persons Worse Off

∞ 28,350 Medicare beneficiaries in Iowa will lose their retiree health benefits.[2]

∞ 57,200 Medicaid beneficiaries in Iowa will pay more for the prescription drugs they need.[3]

∞ 31,500 fewer seniors in Iowa will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 11,680 Medicare beneficiaries in Iowa will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Iowa currently has a $1 drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Kansas Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 21,000 Medicare beneficiaries in Kansas will lose their retiree health benefits.[1]

- 39,800 Medicaid beneficiaries in Kansas will pay more for the prescription drugs they need.[2]

- 29,750 fewer seniors in Kansas will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 14,120 Medicare beneficiaries in Kansas will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Kansas currently has a $2 drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Kentucky Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 43,680 Medicare beneficiaries in Kentucky will lose their retiree health benefits.[1]

- 193,500 Medicaid beneficiaries in Kentucky will pay more for the prescription drugs they need.[2]

- 50,250 fewer seniors in Kentucky will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 16,900 Medicare beneficiaries in Kentucky will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Kentucky currently has no drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Louisiana Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in Louisiana could be selected for the premium support demonstration program, and another MSA is close to meeting the qualifying threshold.[1] In total, 232,460 Medicare beneficiaries in Louisiana reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
New Orleans-Metairie-Kenner

MSAs that could qualify by 2010:
Baton Rouge

∞ Premium variation under a full-blown premium support program could range from $2,400 in Jefferson to $1,225 in West Baton Rouge.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 35,070 Medicare beneficiaries in Louisiana will lose their retiree health benefits.[3]

∞ 114,900 Medicaid beneficiaries in Louisiana will pay more for the prescription drugs they need.[4]

∞ 53,250 fewer seniors in Louisiana will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 17,100 Medicare beneficiaries in Louisiana will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Louisiana currently drug copayments ranging from $0.50 to $3.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003

Impact of Medicare Prescription Drug Conference Proposal on Maine Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 14,700 Medicare beneficiaries in Maine will lose their retiree health benefits.[1]

- 40,600 Medicaid beneficiaries in Maine will pay more for the prescription drugs they need.[2]

- 18,500 fewer seniors in Maine will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 6,040 Medicare beneficiaries in Maine will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Maine currently has drug copayment ranging from $0.50 to $3.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Maryland Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ Premium variation under a full-blown premium support program could result in premiums of $2,300 in Baltimore compared to a national average of $1,205.[1]

Senior Citizens and Disabled Persons Worse Off

∞ 59,640 Medicare beneficiaries in Maryland will lose their retiree health benefits.[2]

∞ 75,800 Medicaid beneficiaries in Maryland will pay more for the prescription drugs they need.[3]

∞ 53,000 fewer seniors in Maryland will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 34,840 Medicare beneficiaries in Maryland will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] CMS Actuary.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Maryland currently has a $1 drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Massachusetts Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 3 MSAs in Massachusetts could be selected for the premium support demonstration program, and another MSA is close to meeting the qualifying threshold.[1] In total, 969,136 Medicare beneficiaries in Massachusetts reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
- Barnstable
- Providence-New Bedford-Fall River
- Springfield

MSAs that could qualify by 2010:
- Pittsfield

∞ Premium variation under a full-blown premium support program could range from $1,450 in Barnstable to $1,050 in Hampden.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 59,850 Medicare beneficiaries in Massachusetts will lose their retiree health benefits.[3]

∞ 185,500 Medicaid beneficiaries in Massachusetts will pay more for the prescription drugs they need.[4]

∞ 76,750 fewer seniors in Massachusetts will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 34,920 Medicare beneficiaries in Massachusetts will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Massachusetts has a $0.50 drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Michigan Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ Premium variation under a full-blown premium support program could range from $1,700 in Wayne to $1,250 in Monroe.[1]

Senior Citizens and Disabled Persons Worse Off

∞ 138,810 Medicare beneficiaries in Michigan will lose their retiree health benefits.[2]

∞ 183,200 Medicaid beneficiaries in Michigan will pay more for the prescription drugs they need.[3]

∞ 90,000 fewer seniors in Michigan will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 44,980 Medicare beneficiaries in Michigan will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] CMS Actuary.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Michigan currently has a $1 drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Minnesota Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA is close to meeting the qualifying threshold and could be selected for the premium support demonstration program.[1] In total, 33,120 Medicare beneficiaries in Minnesota reside in an MSA that could be chosen for premium support.

MSAs that could qualify by 2010:
St. Cloud

∞ Premium variation under a full-blown premium support program could range from $1,325 in Hennepin to $1,175 in Washington.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 39,480 Medicare beneficiaries in Minnesota will lose their retiree health benefits.[3]

∞ 89,800 Medicaid beneficiaries in Minnesota will pay more for the prescription drugs they need.[4]

∞ 40,250 fewer seniors in Minnesota will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 19,380 Medicare beneficiaries in Minnesota will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Minnesota currently has no drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Mississippi Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 20,790 Medicare beneficiaries in Mississippi will lose their retiree health benefits.[1]

- 118,300 Medicaid beneficiaries in Mississippi will pay more for the prescription drugs they need.[2]

- 42,250 fewer seniors in Mississippi will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 10,220 Medicare beneficiaries in Mississippi will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Mississippi currently has a $1 drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Missouri Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 3 MSAs are close to meeting the qualifying threshold and could be selected for the premium support demonstration program.[1] In total, 67,996 Medicare beneficiaries in Missouri reside in MSAs that could be chosen for premium support.

MSAs that could qualify by 2010:
Jefferson City
St. Joseph

∞ Premium variation under a full-blown premium support program could range from $1,425 in St. Louis to $800 in Christian.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 59,850 Medicare beneficiaries in Missouri will lose their retiree health benefits.[3]

∞ 139,300 Medicaid beneficiaries in Missouri will pay more for the prescription drugs they need.[4]

∞ 49,250 fewer seniors in Missouri will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 29,320 Medicare beneficiaries in Missouri will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Missouri currently has a drug copayment of $0.50 for costs below $10, $1 copayment for costs between $10 and $25, and $2 copayment for costs above $25.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Montana Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 7,140 Medicare beneficiaries in Montana will lose their retiree health benefits.[1]

- 14,500 Medicaid beneficiaries in Montana will pay more for the prescription drugs they need.[2]

- 9,750 fewer seniors in Montana will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 2,860 Medicare beneficiaries in Montana will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Montana currently has a $1drug copayment for generics and $2 copayment for other drugs.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Nebraska Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 11,550 Medicare beneficiaries in Nebraska will lose their retiree health benefits.[1]

- 32,400 Medicaid beneficiaries in Nebraska will pay more for the prescription drugs they need.[2]

- 18,750 fewer seniors in Nebraska will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 8,120 Medicare beneficiaries in Nebraska will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Nebraska currently has a $1 drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Nevada Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in Nevada could be selected for the premium support demonstration program, and another MSA is close to meeting the qualifying threshold.[1] In total, 237,156 Medicare beneficiaries reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Las Vegas-Paradise

MSAs that could qualify by 2010:
Reno-Sparks

∞ Premium variation under a full-blown premium support program could range from $1,950 in Clark to $1,250 in Lyon.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 14,490 Medicare beneficiaries in Nevada will lose their retiree health benefits.[3]

∞ 19,700 Medicaid beneficiaries in Nevada will pay more for the prescription drugs they need.[4]

∞ 18,500 fewer seniors in Nevada will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 9,920 Medicare beneficiaries in Nevada will pay more for Part B premiums because of income relating.[6]

(Footnotes)
[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.
[2] CMS Actuary.
[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.
[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Nevada currently has no drug copayment.
[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.
[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on New Hampshire Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 11,970 Medicare beneficiaries in New Hampshire will lose their retiree health benefits.[1]

- 18,300 Medicaid beneficiaries in New Hampshire will pay more for the prescription drugs they need.[2]

- 12,250 fewer seniors in New Hampshire will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 5,560 Medicare beneficiaries in New Hampshire will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. New Hampshire currently has a $0.50 drug copayment for generics, and a $1 copayment for other drugs.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on New Jersey Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in New Jersey could be selected for the premium support demonstration program.[1] In total, 1,098,074 Medicare beneficiaries in New Jersey reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Philadelphia-Camden-Wilmington

∞ Premium variation under a full-blown premium support program could range from $1,675 in Hudson to $1,225 in Somerset.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 91,140 Medicare beneficiaries in New Jersey will lose their retiree health benefits.[3]

∞ 138,100 Medicaid beneficiaries in New Jersey will pay more for the prescription drugs they need.[4]

∞ 93,250 fewer seniors in New Jersey will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 51,980 Medicare beneficiaries in New Jersey will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. New Jersey currently has no drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on New Mexico Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in New Mexico could be selected for the premium support demonstration program, and another MSA is close to meeting the qualifying threshold.[1] In total, 119,780 Medicare beneficiaries in New Mexico reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Albuquerque

MSAs that could qualify by 2010:
Santa Fe

∞ Premium variation under a full-blown premium support program could range from $1,250 in Santa Fe to $925 in Sandoval.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 14,910 Medicare beneficiaries in New Mexico will lose their retiree health benefits.[3]

∞ 33,200 Medicaid beneficiaries in New Mexico will pay more for the prescription drugs they need.[4]

∞ 22,750 fewer seniors in New Mexico will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 7,440 Medicare beneficiaries in New Mexico will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. New Mexico currently has no drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on New York Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 2 MSAs in New York could be selected for the premium support demonstration program, and another 2 MSAs are close to meeting the qualifying threshold.[1] In total, 518,975 Medicare beneficiaries in New York reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Buffalo-Cheektowaga-Tonawanda
Rochester

MSAs that could qualify by 2010:
Albany-Schenectady-Troy
Glen Falls

∞ Premium variation under a full-blown premium support program could range from $2,000 in Queens to $975 in Erie.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 207,690 Medicare beneficiaries in New York will lose their retiree health benefits.[3]

∞ 537,700 Medicaid beneficiaries in New York will pay more for the prescription drugs they need.[4]

∞ 238,500 fewer seniors in New York will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 117,080 Medicare beneficiaries in New York will pay more for Part B premiums because of income relating.[6]

(Footnotes)
[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.
[2] CMS Actuary.
[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.
[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. New York currently has a $0.50 drug copayment for generic and over-the-counter drugs and a $2 copayment for brand-name drugs.
[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.
[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on North Carolina Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ Premium variation under a full-blown premium support program could range from $1,225 in North Carolina to $675 in Davidson.[1]

Senior Citizens and Disabled Persons Worse Off

∞ 70,770 Medicare beneficiaries in North Carolina will lose their retiree health benefits.[2]

∞ 222,800 Medicaid beneficiaries in North Carolina will pay more for the prescription drugs they need.[3]

∞ 99,500 fewer seniors in North Carolina will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 37,920 Medicare beneficiaries in North Carolina will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] CMS Actuary.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. North Carolina currently has a $1 drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on North Dakota Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 3,990 Medicare beneficiaries in North Dakota will lose their retiree health benefits.[1]

- 12,600 Medicaid beneficiaries in North Dakota will pay more for the prescription drugs they need.[2]

- 9,750 fewer seniors in North Dakota will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 2,720 Medicare beneficiaries in North Dakota will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. North Dakota currently has no drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Ohio Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 4 MSAs in Ohio are close to meeting the qualifying threshold and could qualify for the premium support demonstration program.[1] In total, 435,186 Medicare beneficiaries in Ohio reside in MSAs that could be chosen for premium support.

MSAs that could qualify by 2010:
- Cincinnati-Middletown
- Lima
- Springfield
- Wheeling

∞ Premium variation under a full-blown premium support program could range from $1,500 in Jefferson to $1,125 in Wood.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 154,770 Medicare beneficiaries in Ohio will lose their retiree health benefits.[3]

∞ 194,900 Medicaid beneficiaries in Ohio will pay more for the prescription drugs they need.[4]

∞ 115,250 fewer seniors in Ohio will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 58,420 Medicare beneficiaries in Ohio will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Oklahoma Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ Premium variation under a full-blown premium support program could range from $1,400 in Canadian to $1,225 in Washington.[1]

Senior Citizens and Disabled Persons Worse Off

∞ 33,390 Medicare beneficiaries in Oklahoma will lose their retiree health benefits.[2]

∞ 76,000 Medicaid beneficiaries in Oklahoma will pay more for the prescription drugs they need.[3]

∞ 39,250 fewer seniors in Oklahoma will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 15,520 Medicare beneficiaries in Oklahoma will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] CMS Actuary.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Oregon Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 6 MSAs in Oregon could be selected for the premium support demonstration program.[1] In total, 368,416 Medicare beneficiaries in Oregon reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
- Bend
- Corvallis
- Eugene-Springfield
- Medford
- Portland-Vancouver-Beaverton
- Salem

∞ Premium variation under a full-blown premium support program could range from $1,325 in Yamhill to $675 in Columbia.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 30,450 Medicare beneficiaries in Oregon will lose their retiree health benefits.[3]

∞ 63,400 Medicaid beneficiaries in Oregon will pay more for the prescription drugs they need.[4]

∞ 28,250 fewer seniors in Oregon will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 17,260 Medicare beneficiaries in Oregon will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Oregon currently has no drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Pennsylvania Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 4 MSAs in Pennsylvania could be selected for the premium support demonstration program, and another MSA is close to meeting the qualifying threshold.[1] In total, 1,179,819 Medicare beneficiaries in Pennsylvania reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
- Altoona
- Johnstown
- Philadelphia
- Pittsburgh

MSAs that could qualify by 2010:
- Erie

∞ Premium variation under a full-blown premium support program could range from $1,750 in Philadelphia to $1,050 in Union.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 133,980 Medicare beneficiaries in Pennsylvania will lose their retiree health benefits.[3]

∞ 352,200 Medicaid beneficiaries in Pennsylvania will pay more for the prescription drugs they need.[4]

∞ 145,000 fewer seniors in Pennsylvania will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 63,240 Medicare beneficiaries in Pennsylvania will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Pennsylvania currently has a $1 drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Rhode Island Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in Rhode Island could be selected for the premium support demonstration program.[1] In total, 176,930 Medicare beneficiaries in Rhode Island reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
Providence-New Bedford-Fall River

∞ Premium variation under a full-blown premium support program could result in premiums of $1,425 in Bristol compared to the national average of $1,205.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 9,240 Medicare beneficiaries in Rhode Island will lose their retiree health benefits.[3]

∞ 28,700 Medicaid beneficiaries in Rhode Island will pay more for the prescription drugs they need.[4]

∞ 15,750 fewer seniors in Rhode Island will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 5,760 Medicare beneficiaries in Rhode Island will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Rhode Island currently has no drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on South Carolina Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 38,220 Medicare beneficiaries in South Carolina will lose their retiree health benefits.[1]

- 110,600 Medicaid beneficiaries in South Carolina will pay more for the prescription drugs they need.[2]

- 53,250 fewer seniors in South Carolina will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 18,300 Medicare beneficiaries in South Carolina will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. South Carolina currently has a $2 drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on South Dakota Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 4,410 Medicare beneficiaries in South Dakota will lose their retiree health benefits.[1]

- 16,900 Medicaid beneficiaries in South Dakota will pay more for the prescription drugs they need.[2]

- 8,750 fewer seniors in South Dakota will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 3,200 Medicare beneficiaries in South Dakota will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. South Dakota currently has a $2 drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Tennessee Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA is close to meeting the qualifying threshold and could be selected for the premium support demonstration program.[1] In total, 41,979 Medicare beneficiaries in Tennessee reside in MSAs that could be chosen for premium support.

MSAs that could qualify by 2010:
Kingsport-Bristol

∞ Premium variation under a full-blown premium support program could range from $1,225 in Davidson to $825 in Sullivan.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 52,920 Medicare beneficiaries in Tennessee will lose their retiree health benefits.[3]

∞ 243,500 Medicaid beneficiaries in Tennessee will pay more for the prescription drugs they need.[4]

∞ 71,750 fewer seniors in Tennessee will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 71,750 Medicare beneficiaries in Tennessee will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Texas Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in Texas is close to meeting the qualifying threshold and could be selected for the premium support demonstration program.[1] In total, 224,790 Medicare beneficiaries in Texas reside in MSAs that could be chosen for premium support.

MSAs that could qualify by 2010:
San Antonio

∞ Premium variation under a full-blown premium support program could range from $1,850 in Dallas to $1,225 in Galveston.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 132,300 Medicare beneficiaries in Texas will lose their retiree health benefits.[3]

∞ 389,400 Medicaid beneficiaries in Texas will pay more for the prescription drugs they need.[4]

∞ 209,000 fewer seniors in Texas will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 97,420 Medicare beneficiaries in Texas will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Utah Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 17,850 Medicare beneficiaries in Utah will lose their retiree health benefits.[1]

- 17,200 Medicaid beneficiaries in Utah will pay more for the prescription drugs they need.[2]

- 13,250 fewer seniors in Utah will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 7,020 Medicare beneficiaries in Utah will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Utah currently has a $1drug copayment, with a $5 monthly limit.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Vermont Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 5,040 Medicare beneficiaries in Vermont will lose their retiree health benefits.[1]

- 24,700 Medicaid beneficiaries in Vermont will pay more for the prescription drugs they need.[2]

- 7,250 fewer seniors in Vermont will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 2,960 Medicare beneficiaries in Vermont will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Vermont currently has a $1 drug copayment for prescriptions under $30 and a $2 copayment for prescriptions above $30.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Virginia Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 1 MSA in Virginia is close to meeting the qualifying threshold and could be selected for the premium support demonstration program.[1] In total, 5,492 Medicare beneficiaries in Virginia reside in MSAs that could be chosen for premium support.

MSAs that could qualify by 2010:
Kingsport-Bristol

Senior Citizens and Disabled Persons Worse Off

∞ 62,580 Medicare beneficiaries in Virginia will lose their retiree health benefits.[2]

∞ 116,200 Medicaid beneficiaries in Virginia will pay more for the prescription drugs they need.[3]

∞ 76,000 fewer seniors in Virginia will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[4]

∞ 40,280 Medicare beneficiaries in Virginia will pay more for Part B premiums because of income relating.[5]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[3] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Virginia currently has a $1 drug copayment.

[4] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[5] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Washington Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Medicare at Risk

∞ 3 MSAs in Washington could be selected for the premium support demonstration program, and another 2 MSAs are close to meeting the qualifying threshold.[1] In total, 476,099 Medicare beneficiaries in Washington reside in MSAs that could be chosen for premium support.

Qualifying MSAs:
- Longview-Kelso
- Olympia
- Portland-Vancouver-Beaverton

MSAs that could qualify by 2010:
- Mount Vernon-Anacortes
- Seattle-Tacoma-Bellevue

∞ Premium variation under a full-blown premium support program could range from $1,225 in San Juan to $700 in Clark.[2]

Senior Citizens and Disabled Persons Worse Off

∞ 47,250 Medicare beneficiaries in Washington will lose their retiree health benefits.[3]

∞ 91,900 Medicaid beneficiaries in Washington will pay more for the prescription drugs they need.[4]

∞ 47,000 fewer seniors in Washington will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[5]

∞ 33,360 Medicare beneficiaries in Washington will pay more for Part B premiums because of income relating.[6]

(Footnotes)

[1] Calculations based on CMS HMO participation data. MSAs that currently have 25% or more HMO penetration were considered qualifying; MSAs that could qualify by 2010 based on HMOs with current penetration rates of 15% or more.

[2] CMS Actuary.

[3] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[4] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Washington currently has no drug copayment.

[5] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[6] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on West Virginia Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 29,610 Medicare beneficiaries in West Virginia will lose their retiree health benefits.[1]

- 44,900 Medicaid beneficiaries in West Virginia will pay more for the prescription drugs they need.[2]

- 28,250 fewer seniors in West Virginia will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 7,560 Medicare beneficiaries in West Virginia will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. West Virginia currently has a $0.50 drug copayment for drugs under $10, a $1 copayment for drugs costing $10 to $25, and a $2 copayment for drugs costing more than $25.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Wisconsin Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 58,170 Medicare beneficiaries in Wisconsin will lose their retiree health benefits.[1]

- 110,200 Medicaid beneficiaries in Wisconsin will pay more for the prescription drugs they need.[2]

- 46,500 fewer seniors in Wisconsin will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 23,120 Medicare beneficiaries in Wisconsin will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.

Impact of Medicare Prescription Drug Conference Proposal on Wyoming Senior Citizens:
Medicare at Risk
Too Many Senior Citizens and Disabled Persons Worse Off

Senior Citizens and Disabled Persons Worse Off

- 3,150 Medicare beneficiaries in Wyoming will lose their retiree health benefits.[1]

- 6,700 Medicaid beneficiaries in Wyoming will pay more for the prescription drugs they need.[2]

- 5,500 fewer seniors in Wyoming will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels.[3]

- 2,260 Medicare beneficiaries in Wyoming will pay more for Part B premiums because of income relating.[4]

(Footnotes)

[1] Current levels of state employer-sponsored insurance from K.Thorpe, "Potential Implications of the Medicare Prescription Drug Benefit on Retiree Health Care Benefits" September 13, 2003. Drop rate based on CBO estimates.

[2] Calculations based on the number of dual eligibles in state, Congressional Research Service Report RL31987, July 11, 2003. Wyoming currently has a $2 drug copayment.

[3] Calculations based on income data from Congressional Research Service Report RL31736, June 24, 2003; CBO estimates on loss of coverage due to assets test.

[4] Calculations based on data from Congressional Research Service Report RS21651, October 28, 2003.